SECRET/NOFORN

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## 1. Poland

The perception of government omnipotence created by the successful imposition of martial law is slowly dissipating. To be sure the government is still in firm control and is currently taking a somewhat tougher line against both the Church and Solidarity. But its hesitations over price hikes have profited Solidarity and its refusal to meet with Glemp has strengthened the more activist elements in the Church. Most important, the government's major accomplishment is the negative one of suppressing overt opposition: it is neither trusted nor seen as capable of leading Poland out of its social and economic crisis.

## 2. FRG

Despite Gromyko's harsh warnings to Gensher against participating in the SDI, Moscow's renewed willingness to talk to Bonn at this high level comes at a good time for the FDP as Gensher can now claim that, due to his efforts, Ostpolitik is not dead. This may benefit the FDP in the state and local elections coming up on March 10th, where polls were continuing to show dismal prospects for the FDP even though the fortunes of its coalition partner, the CDU, were improving. The renewed dialogue with Moscow will also encourage Gensher to increase his efforts to promote East-West accords.